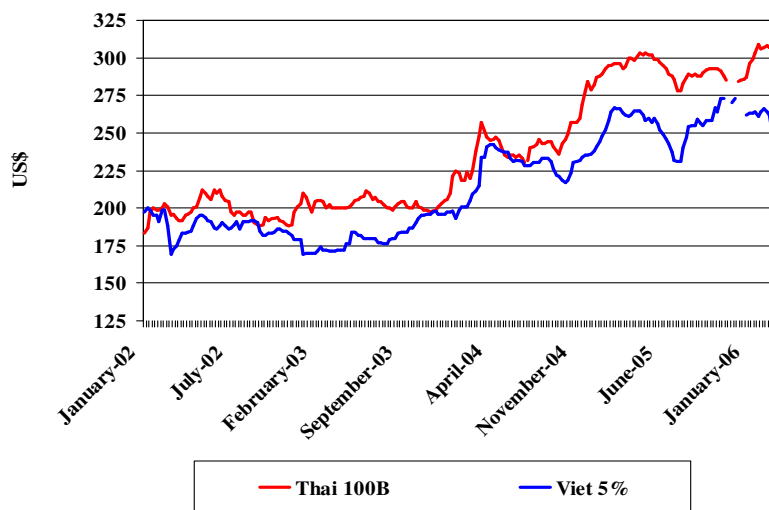

RICE: WORLD MARKETS AND TRADE

PRICES:

International: Asian prices are mixed this month. Thai prices continued to strengthen (up \$3 with quotes currently at \$309 per ton, FOB) on an announcement of the dry season intervention scheme at the current price level, currency fluctuations and stronger demand for high quality varieties. Meanwhile, Viet prices are down \$17 to \$247 per ton, FOB, due to normal seasonal harvest pressure of the Winter-Spring crop and the unusually strong internal demand for cash.

Nominal Price Quotes – 2002 to Present



Domestic: U.S. long grain prices remain unchanged, with #2/4 currently quoted at \$368 per ton, FOB. This brings the price spread between Thai and U.S. rice to \$59 per ton. Meanwhile, U.S. medium grain prices remain unchanged at \$515 per ton, FOB.

TRADE CHANGES IN 2006

Selected Exporters

- **China** is raised 100,000 tons to 800,000 with renewed sales of medium grain and new parboiled rice export capacity.
- **Burma** is raised 50,000 tons to 200,000 based on expectations of improved private trade movement.
- Due to large carryin stocks and competitive prices, **Brazil** is raised 50,000 tons to 175,000 despite lower production. This still represents a 36 percent drop in exports year-to-year.

Selected Importers

- **Bangladesh** is raised 200,000 tons to 700,000 to help replenish low (carryin) stocks.
- **Peru** is reduced 25,000 tons to 50,000 as a result of large stocks and strong production.

TRADE CHANGES IN 2005

Selected Exporters

- **Australia** is reduced 25,000 tons again to 75,000 on continued weakness in the export pace.
- **Burma** is changed due to year-end data.

Selected Importers

- Changes to **Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Japan, Mexico, Nicaragua, Panama, Peru, Philippines** are based on year-end data.